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ICB

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September 19, 2005

2005 SEP 26 AM 11 58

Mr. John F. Carter
Regional Director
Federal Deposit Insurance Corporation
25 Jessie Street at Ecker Square, Suite 2300
San Francisco, CA 95105

*DUPLICATE - original
rec'd in STRO
9/22/2005*

Re: Comments Regarding FDIC Application #20051977; Wal-Mart Application for Insurance and Industrial Bank Charter

Dear Mr. Carter:

On behalf of the membership of Independent Community Banks of North Dakota I am writing to oppose the application of Wal-Mart Stores, Inc., for federal deposit insurance coverage for an ILC charter in Utah. ICBND is on record and philosophically opposed to allowing Wal-Mart to own a bank charter and potentially open branches in its network of stores would do irreparable harm to the banking community and pose a severe risk to our nation's economy.

Wal-Mart has stated that it intends to operate a limited ILC charter in Utah. However, the Wal-Mart assurances that the operation will confine itself to the stated "backroom" operations is not borne out by its most recent history and ongoing attempts to get into banking. Wal-Mart's CEO is on record as having stated that growth in the market place as well as increasing market share are corporate goals for his company. They are obviously interested in getting into the financial sector with their current sales of money orders, check cashing and issuing of credit cards. It is not difficult to foresee Wal-Mart, in the near future, offering a full array of banking services. This would violate the long standing congressional intent and historical precedent of maintaining a separation between the providers of banking services and commercial business.

Congress has gone on record reaffirming our nation's long standing policy against the mixing of banking and commerce. Mixing banking and commerce would create serious conflicts of interest and distort credit decisions. The impartial allocation of credit is the linchpin of our financial system and must be preserved. Would a Wal-Mart Bank offer credit at reasonable terms to its competitors? Would Wal-Mart require its suppliers to bank at the Wal-Mart bank?

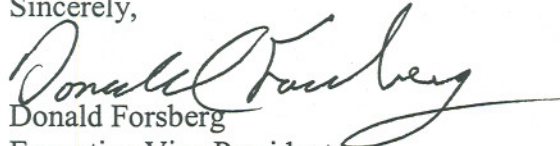
It does not take much of an imagination to see the words to the old song "I sold my soul to the company store" coming to fruition if the application is approved. One only has to see the current decline in main street business

within a 50 mile radius of a Wal-Mart to see the impact on consumer choices. Ultimately, having a commercial business be the sole dispenser of banking services gives the consumer fewer and more expensive choices. Wal-Mart has a long history of destabilizing communities by undercutting prices of local merchants and driving them out of business. Wal-Mart does not open stores in communities to be civic partners with local merchants; they opened stores to drive local merchants out of business and steal their customers. Our concern is that the largest company in the world can and would do the same thing to community banks. The FDIC must say no to this and all future applications that could result in the demise of the community banking industry as we know it.

Does the FDIC want to support the largest company in the world owning a bank which could produce a dangerous concentration of economic power and resources that would pose severe systemic risks to our economy? What would have happened if any of the more recent major corporate failures like Enron or WorldCom owned a bank?

Please do not allow Wal-Mart to get into the banking business for the sake of the community banks of our nation and the customers and communities we serve and deny this application. Take a stand for fair competition and consumer choice by denying Wal-Mart's application for deposit insurance.

Sincerely,


Donald Forsberg
Executive Vice President